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Message Text

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44
ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 PM-04 NSC-05 SP-02 SS-15 CIAE-00

INR-07 NSAE-00 DODE-00 IGA-01 IO-10 EB-07 PRS-01 /074 W
---------- 007527
R 050820Z NOV 75
FM AMCONSUL HONG KONG
TO SECSTATE WASHDC 7881
INFO AMEMBASSY BANGKOK
AMEMBASSY BUVBPEST
AMEMBASSY MANILA
AMEMBASSY TOKYO
AMEMBASSY WARSAW
AMEMBASSY PARIS
CINCPAC

C O N F I D E N T I A L HONG KONG 13210

NOFORN

CINCPAC FOR POLAD

NOT RELEASABLE TOFOREIGN NATIONALS

WARNING NOTICE SENSITIVE INTELLEIGENCE SOURCES AND METHODS
INVOLVED.

E.O. 11652: XGDS-2
TAGS: ECON, PINS, VS, VN, PL, HU
SUBJECT: POLISH AND HUNGARIAN COMMENTS ON SOUTH VIET-NAM

SUMMARY: JAPANESE CONGEN PASSED ON THE FOLLWOING COMMENTS RECIEVED
FROM A JAPANEESEE EMBASSY OFFICER STILL REMAINING IN SAIGON. THE
REPORTS CENTERED ON THE REACTIONS OF A POLSIH AND A HUNGARIAN
DIPLOMAT TO THE PRG STATEMENT ISSUED SEPTEMBER 10 ON "ELEMINATIN
MONOPOLISTS". POLSIH INTERPRETATION OF THE DECREE WAS THAT
IT SIGNALLED A SEPERATE ECONOMIC SYSTEM FOR THE NORTH AND SOUTH
FOR SOME TIME TO COME AND PROBABLY APPLIED ONLY TO THE
SOUTHERN SEGMENT OF SVN. THE HUNGARIAN VIEWED THE
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DECREE AS A STEP IN SOCIALIZING THE SOUTH. IN AN ASIDE,

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HE SUGGESTED THAT THE KHMER ROUGE MIGHT BE PROVIDING SOME
SUPPORT TO THE ANTI-GOVERMENT RESISTANCE. END SUMMARY.

1. SAIGON REPORT DATED SEPTEMBER 12 DISCUSSED A
CONVERSATION WITH POLSIH DIPLOMAT CIACEK, COUNSELOR OF
EMBASSY IN SIAGON. CIACEK'S REMARKS BASICALLY CENTERED
ON THE PRG'S NEW ECONOMIC POLICY SPELLED OUT IN THE PRG 14
POINT DECREE OF SEPTEMBER 10, CIACEK NOTED THAT THE DECREE WAS
PUT OUT BY THE PRG RATHER THAN MILITARY AUTHORIATIVES AND TGAT
IT ATTACKED "BAD BOURGEOIS" BUT ENCORUAGED "GOOD CAPITALISTS"
TO ENGAGE IN PRODUCTION. CIACEK ASSUMED THAT THE 14 POINTS
HAD THE ENDORSEMENT OF THE VIETNAM WORKERS PARTY. CIACEK
FELT THE ENUNCIATION OF THESE POINTS INDICATED THAT NORTH
AND SOUTH VIETNAM WOULD BE UNDER TWO SEPERATE ECONOMIC
POLICIES AND SYSTEMS FOR SOME TIME. HE ADDED THAT IN HIS
OPINION THESE POLICIES ONLY APPLIED TO THE SOTUHERN HALF
OF SVN STARTING AT THE DA LAT NHA TRANG LINE, INFERRING
THAT THE UPPER HALF HAD BEEN ABSORBED BY THE DRV.

2. ON OTHER POINTS, CIACEL OBSERVED THAT POLAND WANTED
TO ESTABLISH A REGULAR EMBASSY IN SAIGON BUT THAT IT WAS
NOT AN URGENT ISSUE. HE DID NOT AGREE WITH THE IDEA THAT,
SINCE THERE WOULD BE UNIFICATION, THERE WAS NO NEED FOR TWO
POSTS. HE UNDERLINED THE ENORMOUS DIFFERENCES EXISTING
BETWEEN NORTH AND SOUTH, ESPECIALLY ECONOMIC. HE
POINTED OUT THAT POLAND IS THE ONLY SOCIALIST COUNTRY
TO HAVE AN AMBASSADOR ACCREDITED ONLY TO SAIGON (EVEN
IF HE IS STILL IN WARSAW.)

3. CIACEK NOTED THAT A POLSIH ICCS VEHICLE WAS STOLEN
AT THE TIME OF THE FALL OF SAIGN AND WAS LATER SEEN
BEING USED BY "LIBERATION FORCES" FROM NHA TRANG (JUDGING
FROM ITS NEW LICENSE PLATES). HE REQUESTED THE AUTHORIATIVES
HAVE THE VEHICLE RETURNED BUT, SO FAR, HAS HEARD NOTHEING.
(THE JAPANESE ADDED THAT THE JAPANESE AMBASSADTOR'S CAR
WAS ALSO STOLEN AND WAS SEEN USED BY LIBERATION
FORCES BUT THAT THEIR NOTE VERBALE ON THE SUBJECT HAD
NETTED NOTHING).

4. A SECOND SAIGON REPORT DATED SEPTEMBER 18
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DISCUSSED A CONVERSATION BETWEEN A JAPANESE OFFICIAL AND
DEZSO LUKACS, FIRST SECRETARY AND "HEAD OF THE DELEGATION
OF THE MINISTRY OF FOREIGN AFFAIRS OF THE HUNGARIAN
PEOPLE'S REPUBLIC TTO HO CHI MINH CITY". IT WAS NOTED
THAT LUKACS WAS THE ONLY OFFICIALLY ACCREDITED DIPLOMAT
WHO HAS SERVED IN SVN BEFORE THE COMMUNIST TAKEOVER AND WHO
HAD SUBSEQUENTLY RETURNED. LUKACS WAS A MEMBER OF THE
HUNGARIAN ICCS TEAM WHICH DEPARTED SAIGON IN MID-MAY AND

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HE RETURNED IN HIS NEW CAPACITY IN MID-JUNE.

5. LUKACS CHARACTERIZED THE PRG 14 POINT DECREE AS PART OF THE INEVITABLE PROCESS OF SOCIALSIM. HE SAID THAT SINCE THERE WAS STILL SOME REESISTANCE OCCURING IN THE COUNTRY THE MILITARY MANAGEMENT COMMITTEE WOULD CONTINUE TO OPERATE SO THAT THE PROCESS WOULD BE THROUGHLY COMPLETED. LIKCAS OBSERVED THAT THE NATIONAL DEMOCRATIC REVOLUTION HAD BEEN COMPLETED IN VIET NAM IN AUGUST, AND NOW THE SECOND PHASE, THE SOCIALIST REVOLUTION WAS STARTING. HE COMMENTED THAT THE PRC AND THE NFL WERE JUST REMPORARY "PHENOMENA" AND THAT USE WOULD ALSO BE MADE ON NATIONAL BOURGEOIS. HE FELT THAT IT WAS UNDERSTANDABLE THAT FARMERS AT THIS TIME BE ALLOWED TO OWN THERI OWN FARMLAND, ADDING THAT IT TOOK BETWEEN TEN TO FIFTEEN YEARS TO ACHIEVE COLLECTIVE OWNERSHIP IN HUNGARY.

6. LUKACS ADMITTED THAT SECURITY I
N THE HIGHLANDS WAS

NOT VERY GOOD TBUT SAID TTHAT, IN ANY EVENT THE REVOLUTION HAD THE UPPER HAND. HE ADDED " IT WAS ALMOST A CERTAINTY THAT ANTI-PRG ELEMENTS HAS SOME CONNECTION WITH PART OF

THE KHMER ROUGE".

7. LUKACS OBSERVED THAT THE OVERSEAS CHINESE IN SAIGON WERE ATTRACTED TO PEKING BUT THAT PRC INFLUENCE IN SOUTH VIET NAM WAS NEGLIGIBLE. HE EMPHASIZED THAT THE PRESENT ANTI-BOURGEOIS CAMPAIGN WAS NOT ANTI-CHINESE ALTHOUGH THE VIETNAMESE HARBORED PROFOUND ANTI-CHINESE FEELINGS WHICH RESULTED IN THEIR BEING EXTREMELY CAUTIOUS IN THEIR RELATIONS WITH THE CHINESE.
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8. LUKACS NOTED THAT THE HUNGARIAN EMBASSY WAS DE FACTO ALREADY PRESENT IN SAIGON EVEN THOUGH THE HUNGARIAN AMBASSADOR DID NOT RESIDE THERE AND THE POUCH WAS DELIVERED VIA HANOI. HE FELT THE QUESTION OF A PRESENCE IN SAIGON WAS UNIMPORTANT AS THERE WAS ONLY ONE PARTY LEADERSHILP FOR BOTH NORTH AND SOUTH. (THE JAPANESE REPORT INDICATED THAT LOKACS RESIDED IN THE POLISH COMPOUND AND THE HUNGARIANS WERE OPERATING A RADIO THERE THAT THEY HAD BEEN RECENTLY REQUIRED TO MOVE FROM TAN SON NHUT AIRPORT).

9. COMMENT: WHILE THE NEW VIETNAMESE RULERS WILL BE STRUGGLING FOR SOMETIME TO BRING THE ECONOMY OF SOUTH VIET NAM INTO FONFORMITY WITH THE NORTHERN MODEL, WE

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DOUBT THAT FORMAL SEPERATE ECONOMIC SYSTEMS WILL BE
MAINTAINED FOR ANY SIGNIFICANT TIME. WE SENSE A FADING
OUT OF THE PRG AND A CERTAIN MOMENTUM BUILDING UP IN THE
VIETNAMESE MEDIA FOR OFFICIAL REUNIFICATION TO FORMALIZE
THE DEFACTO REUNIFICATION THAT HAS ALREADY TAKEN PLACE
IN VIET NAM.

10. THIS IS THE SECOND TIME WE HAVE HEARD THE SUGGESTION
OF POSSIBLE COLLUSION BETWEEN THE KHMER ROUGE AND VIETNAMESE
RESISTANCE ELEMENTS. A LOCAL BUSINSESSMAN REPORTED AN
ALLEGED CONVERSATION BETWEEN A FRENCH BUSINESSMAN AND A
FORMER ARVN COLONEL DURING WHICH THE COLONEL CLAIMED THAT
RESISTANCE GROUPS IN THE THIRD MILITARY REGION WERE
COLLECTING FOOD FROM THE PEASANTS AND ARMS FROM THE
KHMER ROUGE. CAMBODIAN FEAR AND TRADITIONAL ENMITY FOR
THE VIETNAMESE MAKES THESE ACCOUNTS JUST BARELY PLAUSIBLE.
END COMMENT.
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